Secrt. II-57—50,000—27-10-41.

Development (1943) Department.

45 **SERIES.**

G.O. No. 85

Dated 28. 1. 43

[Despatch Abstract.]

Industries - Acts and Rules - State Aid to Industries Act - Application from Kallige Jaggery Manufacturers' Co-operative Sale Society Ltd., Bantwal Post (South Kanara) for a subsidy - Rejected.

C.F 32 (a).

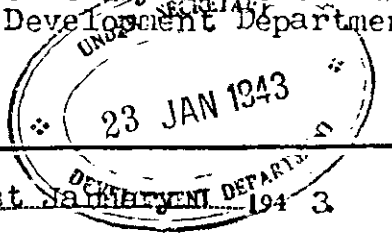
Department

From (Name) P.Madhava Menon Esq., M.B.E., I.C.S.,
Designation Director of Industries
Station and Commerce, Madras.

Received 27 Registered

To

The Secretary to Government,
Development Department.



Enclosures:

No. SA.601/41 dated 21st January 1943.

Sir,

Subject: State Aid to Industries Act - Application from the Kallige Jaggery Manufacturers' Cooperative Sale Society Ltd., Bantwal Post, South Kanara district for a subsidy of Rs 600/- for the manufacture of jaggery on a cooperative basis from palmyra sweet juice - Submitting.

I submit, for the orders of Government, copies of the following papers in connexion with an application received from the Kallige Jaggery Manufacturers' Cooperative Sale Society Ltd., Bantwal for a subsidy of Rs 600/- under the State Aid to Industries Act for the purpose of manufacturing jaggery on a cooperative basis from palmyra sweet juice.

i. Application from the Kallige Jaggery Manufacturers' Cooperative Sale Society Ltd., Bantwal.

ii. Note to the members of the Board of Industries, and

iii. Extract from the proceedings of the meeting of the Board of Industries held on the 16th January 1943.

2. The application was considered by the Board of Industries at its meeting held on the 16th January 1943. It was resolved unanimously that the Board did not consider it necessary to recommend the application.

22/1/43.

Director of Industries and Commerce.

SN.

Enc: No. 3.

Extract from the proceedings of the meeting of the Board of Industries held on Saturday dated 16th January 1943.

(1) Application from the Kallige Jaggery Manufacturers Cooperative Sale Society Ltd., Bantwal Post, Mangalore taluk, South Kanara district for a subsidy of Rs 600/- for the manufacture of jaggery on a cooperative basis from palmyra sweet juice.

Read the note of the Director of Industries and Commerce and connected ~~ap~~ papers.

The Registrar of Cooperative Societies observed that since this is only a small society with about 19 members it did not seem worth-while to grant the subsidy asked for. He stated that the next time he visited South Kanara he would look into the matter and consider in what manner the society could be helped to carry on its work. After some discussion it was resolved unanimously that the Board did not consider it necessary to recommend this application.

Enc: No. 2.

NOTE FOR THE BOARD OF INDUSTRIES.

Application from the Kalliga Jaggery Manufacturers' Cooperative Sale Society, Ltd., Bantwal Post, Mangalore taluk, South Kanara district, for a subsidy of Rs 600/- for the manufacture of jaggery on a cooperative basis from palmyra sweet juice.

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The Kalliga Jaggery Manufacturers' Cooperative Sale Society, Ltd., has applied for a non-repayable subsidy of Rs 600/- under the State Aid to Industries Act, for developing the manufacture of jaggery from palmyrah sweet juice. A copy of the application is attached. The industry is proposed to be conducted on the lines demonstrated in that centre by the Leather Research Chemist. The subsidy is required for by the Society for the purchase of utensils and other appliances and for the construction of improved kinds of furnaces.

2. The Deputy Registrar of Cooperative Societies, Mangalore reports that the society is the first of its kind in the South Kanara district, that it was registered on 31st July 1941 and started on work on the 28th August 1941 and that 18 members have joined the society with a paid up share capital of Rs 39/- of whom 16 are actually engaged in the manufacture of jaggery. They are stated to be very poor and not able to raise a substantial share capital. The Deputy Registrar, Mangalore, and the Registrar of Cooperative Societies, Madras, recommend the grant of the subsidy. The Leather Research Chemist, to whom the application was referred for remarks, also recommends that the aid applied for by the Society may be granted as early as possible. The Industry may be classed as 'village industry', forming the normal occupation of a particular class of people and brought under Section 20(e) of the State Aid to Industries Act.

3. The views of the Board are invited as to whether the subsidy applied for may be recommended to Government for sanction.

4
Enc no 1

FORM OF APPLICATION FOR AID UNDER THE STATE AID TO INDUSTRIES ACT, 1923 (No.V.of 1923)

1. Name of applicant and his full address.

The Kalliga Jaggery Manufacturers' Cooperative Sale Society Ltd., No.443 Kalliga village, Mangalore taluk, S.Kanara dt. Bantwal Post.

2. Nature of the industrial concern for which aid is sought.

Manufacture of jaggery on cooperative basis from Palmirah Sweet juice on improved lines, as demonstrated by the Leather Research Chemist, Madras in this district.

3. The administrative, technical and executive staff existing or to be appointed with qualifications.

No separate technical staff is proposed to be appointed. The society has to engage persons knowing manufacture of jaggery on wages system and the work has to be supervised by the President or Secretary in addition to a whole-time servant who may have to be appointed for conducting daily business and writing up accounts.

4. The facilities available for the development of the industry:

Tapping of palm trees is existing on a large scale in the area of operations of the society. There is ample scope for pooling the juice so tapped in the society; manufacture jaggery on improved lines by engaging persons who know this art, and market the same at Mangalore through the Bunder branch of the S.K.Agriculturists Cooperative Wholesale Society.

5. The nature of the processes to be employed:

Collecting juice from tapper members and manufacturing jaggery for sale.

6. Details of plant and machinery installed or proposed to be installed at the works.

Purchase of appliances such as Iron pans, filters and ~~xxx~~ other vessels necessary for converting juice into jaggery, so as to enable about 4 persons to work together with the juice of about 12 persons pooled together (vide statement of expenditure enclosed).

7. The total estimated cost of the undertaking and the probable time that will be occupied in its execution (Details of recurring and non-recurring expenditure should be furnished separately).

The estimated cost of the utensils proposed to be purchased, and a shed, is about Rs.600. The same is proposed to be purchased and shed constructed as soon as the subsidy is paid to the society. The subsidy sought is non-repayable free grant to be mostly invested on capital expenses (non-recurring) - vide statement enclosed.

8. Approximate number of operatives employed or to be employed:

About 4 persons are proposed to be employed in the industry to work together for manufacture of jaggery with the juice of about 12 members pooled together at present. This is likely to increase subsequently.

9. Estimated net expenditure per annum in running the works:

I. The industry is likely to work for 6 months in the xxxxxxx xxxxxxxxxxxxxxx year. Apart from the capital expenditure with the subsidy, the society may have to incur wages and incidental expenses in the course of manufacture which will be included in the sale value of jaggery. It may be about Rs.4-0-0 per day according to the volume of work as suggested against question 8.

10. Estimated net profits accruing.

About Rs.2-10-0 per day for 6 months being the difference between x cost of manufacture and sale price.

11. Reasons why the business cannot be financed without State assistance:

The tappers who are the members of the society, belogg to poor class, incapable of subscribing large amount of share capital to meet the initial cost xf for purchase of necessary appliances for manufacture of jaggery. Hence the need for approaching Government xx for the necessary aid.

12. Nature and expent of state aid applied for. (The particular clause of section 6 under which the aid is applied for should be stated).

Rs.600 for purchase of utensils, and construction of improved kind of ovens as free grant- non-repayable, subsidy under section 6(c) combined with section 20 (a). This is a village industry which forms the normal occupation of a particular class of people.

13. Security offered:-

(a) If land ..... Nil. No security offered. This is an application for non payable free grant.

(b) Nature and description of other security, if any, offered.

Nil.

14. Nature and extent of the applicant's right in the concern whether as co-sharer or proprietor or otherwise and his financial resources:

The applicant is a cooperative society registered under the Madras Cooperative Societies Act VI of 1932, a corporate body started for the benefit of jaggery manufacturers and their economic uplift.

15. Nature and extent of the applicant's right to the property offered as security.

Nil.

16. Nature and extent of encumbrances on the immovable property offered as security - primary or collateral.

Nil.

17. Whether any arrears are due on the immovable property offered as security - primary or collateral and if so, the nature and extent of such arrears.

Nil.

18. Period within which and the number of instalments in which the applicant proposes to repay the loan.

This is a free non-repayable grant applied for.

19. Approximate additional net income expected to be earned as a result of the proposed expenditure.

With the initial expenditure met from the subsidy, the society can hope to earn at least 2-10-0 per day as income for the period of 6 months i.e. the period during which this industry can be carried on.

20. If the application is from a joint stock company, the amount of capital actually subscribed and paid up and the number of shares held by each of the directors and their salary and fees and other perquisites should be stated.

This is a cooperative society registered under the Cooperative Societies Act VI (Madras) 1932.

Note: The application should also be accompanied by a copy of prospectus and memorandum and the Articles of Association with a list containing the names and descriptions of the Directors.

21. Any other remarks:

The copy of the bylaws and the list of Directors is enclosed.

Declaration:

I, P.Rama Rao, President, Kolliga Jaggery Manufacturers Cooperative Sale Society Ltd., No.L 443, declare that the statements made above are true to the best of my information and belief.

Station: Camp, Rangala
Dated, 19th September 1941.

P.Rama Rao,
President.

7

Dev.Dept.

INDUSTRIES

Acts & Rules- State Aid to Industries Act - Application from Kallige Jaggery Manufacturers' Co-operative sale Society Ltd Bantwal Po. (S. Kanara) for a Subsidy ~~for a loan~~ - Rejected.

Read also:-

pp 1-2 cr No.1347-A/43 From the D I & C Madras dtd S.A. 601/41 & 21/43

Order Ms. 85 dt. 28.1.43.

The Board of Industries having declined to recommend the application from the Kallige Jaggary Manufacturers' Co-operative Sales Society Ltd., ~~No 443~~ Kallige village. (S. Kanara) for State Aid, the application is rejected under Section 8(5) of the Madras State Aid to Industries Act, 1922 (Madras Act V of 1923).

27/1/43 S. M. I.

To the D.I.&.C.

26/1/43 dtd 26/1/43

(Issued vide G.O. 85 dtd 28.1.43)